MORNING CALL
18/01/2024

Shinhan Securities

"The opposite trend of large-cap stocks"

- ❑ World stocks: Retail data in the US is higher than expected
- ❑ Vietnam stocks: The opposite trend of large-cap stocks
- ❑ Business news: #SZG, #CTR, #SZL, #HPG, #PVS, #DXG
- ❑ Technical perspective and updated recommendations
- ❑ Event calendar
- ❑ Q&A

Tien Le ☎ (84-28) 037 639 1443
✉ tien.ld@shinhan.com

Nam Hoang ☎ (84-28) 6299 8004
✉ nam.h@shinhan.com

Following SSV's Zalo,
Catching the latest report



Please click or scan

Global Market Review 15/01 – 19/01/2024

Major stocks market

- In regular trading on Wednesday, the Dow fell 0.25% for its third straight down day, while the S&P 500 and Nasdaq Composite dropped 0.56% and 0.59%, respectively, for their second straight losing day. Those moves came as the benchmark 10-year US yield touched 4.1% on Wednesday, its highest in five weeks, following hawkish statements from a US Federal Reserve official. Stronger-than-expected retail sales data for December also tempered expectations that the central bank might initiate a rate-cutting campaign as early as March. Retail sales in the US soared 0.6% month-over-month in December 2023, following a 0.3% rise in November and beating forecasts of 0.4%.
- European stocks declined on Wednesday, with losses primarily affecting rate-sensitive real estate companies, as hawkish comments from European Central Bank officials tempered expectations of a rate cut. The STOXX 50 fell by 1%, closing at 4,403 points, its lowest level since November 30th, while the broader STOXX 600 slumped by 1.2%, reaching a six-week low of 468 points.
- The Nikkei 225 Index rose 0.4% to above 35,600 while the broader Topix Index gained 0.2% to 2,501 on Thursday, recouping some losses from the previous session as sharp declines in the yen boosted Japanese stocks
- WTI crude futures dropped 2% to below $71 per barrel on Wednesday due to concerns over future demand. China's economic growth in the fourth quarter fell short of expectations, casting doubt on projections of increased Chinese demand driving global oil growth in 2024

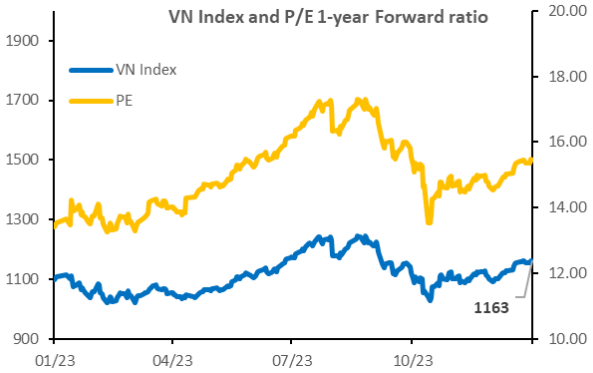
Market

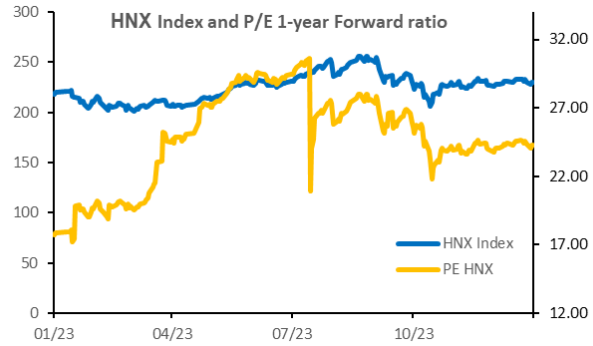
	Close	%1D	%1M	%1Y
VN-Index	1,163	-0.05%	6.47%	5.85%
S&P 500 Index	4,739	-0.56%	0.42%	18.75%
Dow Jones Index	37,267	-0.25%	-0.10%	9.90%
GP 100	7,446	-1.48%	-2.21%	-4.91%
Nikkei 225	35,579	0.28%	8.61%	32.80%
SHCOMP Index	2,834	-2.09%	-3.32%	-12.12%
STOXX 600	468	-1.13%	-1.60%	2.22%
KOSPI Index	2,446	0.42%	-4.70%	3.29%
Hang Seng	15,277	-3.71%	-8.13%	-29.53%

Currency & Commodity

	Close	%1D	%1M	%1Y
Dollar Index	103.45	0.09%	0.88%	1.04%
USD/VND	24,511.00	0.05%	-0.78%	-4.37%
EUR/USD	1.09	0.08%	-0.29%	0.91%
USD/CNY	7.20	-0.12%	-0.91%	-5.90%
Brent	77.88	-0.52%	1.74%	-9.36%
WTI	72.79	0.32%	0.44%	-8.42%
Natural gas	2.89	0.52%	15.26%	-12.87%
Coal	129.50	0.00%	-10.84%	-64.93%
Gold	2,010.40	0.21%	-0.83%	5.58%

Vietnam Market Snapshot 18/01/2024





Money flow and sector rotation (VND bn)

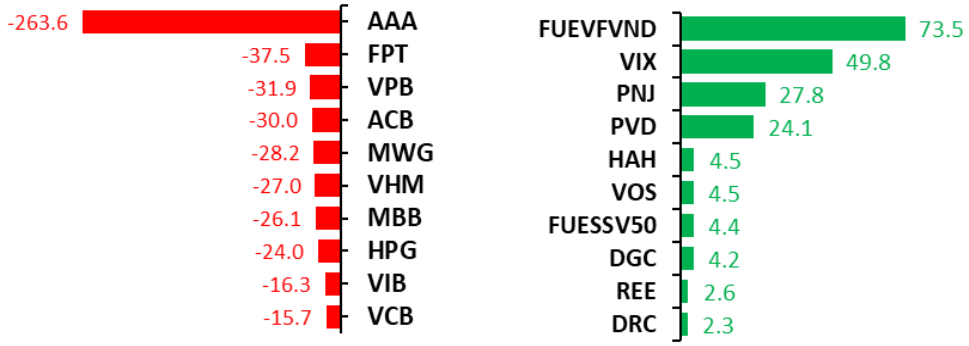
Sector	%1D	1/17/2024	1/16/2024	20-session Average
Media	229.74	16	5	14
Financial Services	105.53	3,455	1,681	2,367
Personal & Household Goods	98.11	286	144	176
Oil & Gas	90.50	146	77	129
Utilities	56.64	153	98	167
Real Estate	41.60	2,358	1,665	2,582
Automobiles & Parts	28.62	104	81	173
Chemicals	23.20	370	300	472
Industrial Goods & Services	13.80	671	590	903
Banks	9.49	3,440	3,142	3,218
Construction & Materials	7.94	773	716	907
Insurance	4.63	34	32	24
Travel & Leisure	2.04	86	85	114
Technology	1.54	189	186	222
Health Care	-4.5	11	11	20
Food and Beverage	-11.1	716	805	1,144
Basic Resources	-15.3	1,339	1,580	1,233
Retail	-25.1	716	956	542

Source: Bloomberg, Shinhan Securities Vietnam

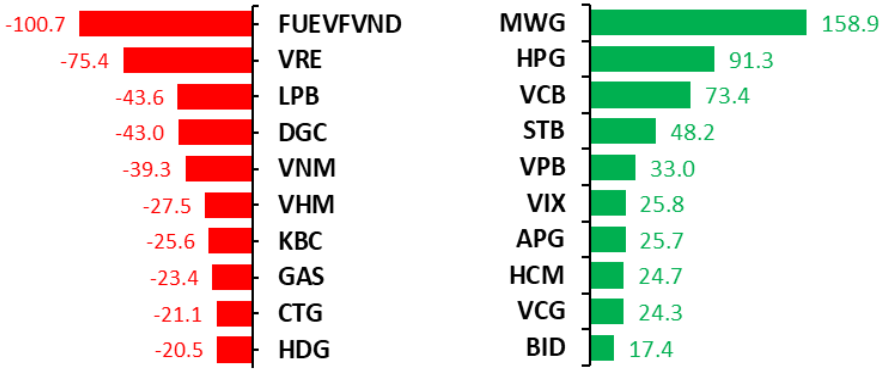
	Close	PE	Change	%1D	Trading volume (mn stocks)	Trading value (VND bn)
VNI NDEX	1,162.53	15.47	-0.59	-0.05	635	14,947
HNX INDEX	229.50	24.25	0.00	0.00	78	1,389

Vietnam Market Snapshot 18/01/2024

Top net buying & selling of proprietary trading (VND billion)



Top net buying & selling foreign investors (VND billion)



The net trading value of proprietary trading and investors by sector (VND billion)

Sub-sector	Proprietary trading (VND bn)	Foreign (VND bn)	Local Individual (VND bn)	Local Institutions (VND bn)
Real Estate	(49)	(159)	219	(60)
Basic Resources	(24)	92	(81)	(12)
Media	-	2	(2)	0
Industrial Goods & Services	2	12	(15)	2
Health care	-	1	(2)	0
Chemicals	(261)	(49)	46	3
Financial Services	122	2	(125)	123
Travel & Leisure	(6)	(7)	13	(6)
Banks	(172)	113	143	(256)
Construction & Materials	1	42	(120)	78
Food and Beverage	(25)	(56)	82	(26)
Retail	(29)	148	(108)	(40)
Utilities	(4)	(24)	28	(4)
Personal & Household Goods	28	3	(27)	24
Technology	(38)	3	28	(31)
Automobiles & Parts	2	4	(5)	2
Insurance	(0)	3	5	(8)
Oil & Gas	23	11	(44)	33

Source: Fiinpro, Shinhan Securities Vietnam

Breaking News

Macro

- VCCI: Banks must disclose information on loan balances for large customers and groups of customers. The Vietnam Chamber of Commerce and Industry (VCCI) believes that the long-term undetected manipulation of banks like at SCB is partly due to the lack of public disclosure of information about bank managers, executives, and shareholders. ... VCCI recently submitted its comments on the draft Law on Credit Institutions (amended). It is expected that this draft law will be passed by the National Assembly on January 18, 2024. VCCI believes that allowing members of the Board of Directors and Supervisory Board to manage other businesses could lead to the risk of prioritizing credit to those businesses.

- Government proposes to allocate nearly 64,000 billion VND of public investment capital to 5 sectors. On January 16, the Government submitted to the National Assembly a proposal to use 63,725 billion VND from the general reserve of the Medium-Term Public Investment Plan and allocate it to 5 sectors, including national defense, security, public administration, science and technology, and transportation. The Government also proposed to allocate 2,526.16 billion VND (from a total of 37,303.015 billion VND that has not been allocated to ministries, central agencies, and localities) to the Vietnam Electricity Group (EVN) to implement the project of supplying electricity from the national grid to Con Dao District, Ba Ria - Vung Tau Province.

- Prime Minister Phạm Minh Chinh: AI, semiconductors, and the automotive industry are important sectors. Prime Minister Phạm Minh Chính said that AI, semiconductors, and the automotive industry are important sectors, with both old and new drivers of growth. ... Regarding the situation and some of the results achieved by Vietnam in the development of AI, the automotive industry, and semiconductor chips, information at the dialogue said that after 2 years of implementing the National Strategy for Research, Development, and Application of AI, Vietnam has risen 7 places in the AI readiness index to 55th out of 181 countries in the world.

Business news

SZG: Sonadezi Giang Điền reports Q4 2023 results with 15% revenue growth. Sonadezi Giang Dien Joint Stock Company (SZG) has just announced its financial results for the fourth quarter of 2023 with a net revenue of VND88.2 billion, up 15% from the same period of the previous year. Of this, the land and infrastructure business of the Giang Dien Industrial Park remained the main contributor, reaching VND33.9 billion, down slightly from the same period of 2022. The factory rental business increased by more than 45% to VND33.5 billion, accounting for the second-highest proportion in the revenue structure. In addition, Sonadezi Giang Dien also recorded revenue of VND11.3 billion for office rental, VND6.3 billion for water business, and VND3.3 billion for wastewater treatment.

DXG: Land Xanh Group Chairman Luong Tri Thin buys back 17.5 million DXG shares. After selling 20 million DXG shares for over VND400 billion in the past three months, Land Xanh Group Chairman Luong Tri Thin only needed to spend half of that amount to buy back 17.5 million shares in the company's additional issuance. Mr. Luong Tri Thin, Chairman of the Board of Directors of Land Xanh Group Joint Stock Company (DXG, HoSE), has just reported the purchase of nearly 17.5 million DXG shares in the company's issuance to existing shareholders.

CTR: Viettel Construction posts estimated December results with 17% and 19% revenue and profit growth. Viettel Construction Joint Stock Corporation (Viettel Construction – ticker CTR) has just announced estimated results for December with a net revenue of VND935.4 billion and pre-tax profit of VND50.4 billion, up 17% and 19%, respectively, from the same period of 2022. Accumulated for the whole year of 2023, Viettel Construction expects to reach VND11,399.4 billion in revenue, up 22% from 2022 and exceeding the target by 10%. Pre-tax profit is expected to reach VND645.4 billion, up 16% from 2022, exceeding the annual target by 5%. These are both record revenue and profit levels for the company since its inception.

Breaking News



Business news

HPG: It is undeniable that positive signals are appearing more and more with the steel industry. However, the exact business results of businesses still have to wait until the end of the financial reporting season. After a quiet period of giving the "stage" to the banking group, steel stocks suddenly became popular again. HPG, HSG, TVN, POM, VGS, TLH, GDA,... all simultaneously broke out strongly with an increase of over 3% on January 16. Even NKG and SMC increased to the limit, in which NKG recorded a sudden increase in liquidity.

SZL: Sonadezi Long Thanh Joint Stock Company (code SZL) has just announced its financial report for the fourth quarter of 2023 with net revenue reaching 126 billion VND, an increase of 20% over the same period last year. Slower increases in cost prices help gross profit increase by half compared to the fourth quarter of 2022, to 41 billion VND, and profit margin improves to 40%. After deducting expenses, Sonadezi Long Thanh's profit after tax was 34 billion VND, an increase of 74% over the same period last year. Cumulatively for the whole year 2023, Sonadezi Long Thanh recorded net revenue of 441 billion VND and profit after tax of 104 billion VND, up 7% and 4% respectively compared to last year. With the results achieved, this business has achieved 97% of the revenue plan (455.3 billion VND) and exceeded 15% of the profit target (90.3 billion VND) for the whole year.

PVS: PVS asked for shareholders' opinions to implement the bidding package for the Gas Block B – O Mon project worth nearly half a billion USD. Vietnam Petroleum Technical Services Joint Stock Corporation (PTSC, stock code PVS) has just announced the documents for the 2024 extraordinary General Meeting of Shareholders, to ask shareholders for approval for the company to implement a project "Design, Procurement, construction and installation of central technology truss, housing truss and torch tower (EPCI#1)" of the Gas Block B – O Mon project chain. The awarding party is Phu Quoc Petroleum Operating Company (PQPOC) – a branch of Vietnam Oil and Gas Group (PVN), and PVN is also the parent company of PTSC.

Technical view



Trend: Accumulation

- VNINDEX closed at 1,162.53 (-0.59 points, -0.05%) with improved liquidity compared to the previous session, at the average of 20 sessions. The market had 233 green codes and 241 red codes. The groups of stocks that contributed the most to the market's rise were VCB, GVR, and MWG. On the other hand, the groups of stocks that contributed to the market's decline were VHM, CTG, and VPB. Foreigners continued to buy net with a value of VND142 billion.
- Technical view: The market continued to fluctuate with an upward trend in the middle of the session and then fell back to the reference level at the end of the session. VNINDEX appeared a grave candle pattern with a long upper shadow, indicating the presence of selling pressure when the market rose. The RSI index continued to be in the overbought zone and was showing signs of sloping down, indicating the weakening trend of the previous rise. The market is expected to continue to accumulate around the 1,160 area before taking any actions to determine the new trend.
- Investment strategy: Investors should keep a state of observing the market, proactively taking profits for those stocks that have formed peaks, and maintaining a relatively high level of cash.

Scenario:

- Positive (50%): The market will maintain its upward trend to the 1180-1200 range.
- Negative (50%): The market will adjust back to the 1130 range to test again.

Recommended stocks

18/01/2024 9:00 AM

Unit: VND thousand

Today's watchlist

	Recommendation	Buying price (+/- 1%)	Target	Cut loss	Upside	Downside	Current price	Signals

Trading portfolio

Ticker	Recommendation	Buying price	Target	Cut loss	Upside	Downside	Current price	T+	Profit/Loss	Date	Note
KBC	Hold	31.7	35.1	30.1	11%	-5%	31.0	17	-2.37%	26/12/2023	
VHC	Hold	62.0	69.9	59.1	13%	-5%	64.4	14	3.87%	29/12/2023	
SSI	Hold	33.0	36.0	31.7	9%	-4%	33.7	10	2.12%	04/01/2024	
PET	Hold	26.7	30.3	25.5	13.5%	-4.5%	27.0	4	1.12%	12/01/2024	

Note: All opinions and estimates regarding the company and its securities are accurate representations of the covering analyst's judgments as of this date and may differ from actual results. This report is intended to provide information to assist investment decisions only and should not be used or considered an offer or the solicitation of an offer to sell or to buy any securities. Stock selection and final investment decisions should be made at the client's own discretion. Please see the “Compliance notice and Disclaimer" section at the end of this report for more details.

Economic calendar

January 2024

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
31	1	2	3 ISM Manufacturing PMI DEC (US)	4 FOMC Minutes	5 Non-farm payrolls, unemployment rate (US)	6
7	8	9	10	11 Inflation figures (US)	12 PPI MoM DEC (US) Inflation Rate YoY DEC (China)	13 Trade balance (China)
14	15	16 House Price Index YoY DEC (China)	17 Retail Sales, PPI (US) Unemployment rate, GDP growth Q4 (China)	18 Expiration of futures contract VN30F1M	19 Michigan Consumer Sentiment Prel JAN (US)	20
21	22	23 BoJ Interest Rate Decision	24	25 GDP Growth Rate QoQ Adv Q4 (US)	26 Core PCE Price Index MoM DEC (US)	27
28	29	30 JOLTs Job Openings DEC (US)	31	1	2	3
4	5	NOTES				

Shinhan Securities

Q&A

Shinhan Investment Network

SEOUL

Shinhan Securities Co., Ltd
Shinhan Investment Tower
70, Youido-dong, Yongdungpo-gu,
Seoul, Korea 150-712
Tel : (82-2) 3772-2700, 2702
Fax : (82-2) 6671-7573

NEW YORK

Shinhan Investment America Inc.
1325 Avenue of the Americas Suite 702,
New York, NY 10019
Tel : (1-212) 397-4000
Fax : (1-212) 397-0032

HONG KONG

Shinhan Investment Asia Ltd.
Unit 7705 A, Level 77
International Commerce Centre
1 Austin Road West
Kowloon, Hong Kong
Tel : (852) 3713-5333
Fax : (852) 3713-5300

INDONESIA

PT Shinhan Sekuritas Indonesia
30th Floor, IFC 2, Jl. Jend. Sudirman Kav.
22-23, Jakarta, Indonesia
Tel : (62-21) 5140-1133
Fax : (62-21) 5140-1599

SHANGHAI

Shinhan Investment Corp.
Shanghai Representative Office
Room 104, Huaneng Union Mansion No.958,
Luijiazui Ring Road, PuDong, Shanghai, China
Tel : (86-21) 6888-9135/6
Fax : (86-21) 6888-9139

HCM

Shinhan Securities Vietnam Co., Ltd.
22nd Floor, Centec Tower, 72-74 Nguyen Thi Minh Khai Street,
District 3, HCM City, Vietnam
Tel : (84-8) 6299-8000
Fax : (84-8) 6299-4232

HA NOI

Shinhan Securities Vietnam Co., Ltd.
Hanoi Branch
2nd Floor, Leadvisors Building, No. 41A Ly Thai To,
Ly Thai To Ward, Hoan Kiem District,
Hanoi, Vietnam.
Tel : (84-8) 6299-8000



Compliance Notice

- Analyst Certification: We/I hereby certify the information and material presented in this report are accurate expressions of their views, and that we/I have not received internally or externally wrongful pressure to express such views.
- All opinions and estimates regarding the company and its securities are accurate representations of the covering analyst's judgments as of this date and may differ from actual results.
- This report is intended to provide information to assist investment decisions only and should not be used or considered an offer or the solicitation of an offer to sell or to buy any securities. Stock selection and final investment decisions should be made at the client's own discretion.
- This report is distributed to our clients only, and any unauthorized use, duplication, or redistribution of this report is strictly prohibited.

Disclaimers

- This research report and marketing materials for Vietnamese securities are originally prepared and issued by the Research Center of Shinhan Securities Vietnam Ltd.., an organization licensed with the State Securities Commission of Vietnam. The analyst(s) who participated in preparing and issuing this research report and marketing materials is/are licensed and regulated by the State Securities Commission of Vietnam in Vietnam only. This report and marketing materials are copyrighted and may not be copied, redistributed, forwarded or altered in any way without the consent of Shinhan Securities Vietnam Ltd.
- This research report and marketing materials are for information purposes only. They are not and should not be construed as an offer or solicitation of an offer to purchase or sell any securities or other financial instruments or to participate in any trading strategy. This research report and marketing materials do not provide individually tailored investment advice. This research report and marketing materials do not take into account individual investor circumstances, objectives or needs, and are not intended as recommendations of particular securities, financial instruments or strategies to any particular investor. The securities and other financial instruments discussed in this research report and marketing materials may not be suitable for all investors. The recipient of this research report and marketing materials must make their own independent decisions regarding any securities or financial instruments mentioned herein and investors should seek the advice of a financial adviser. Shinhan Securities Vietnam Ltd. does not undertake that investors will obtain any profits, nor will it share with investors any investment profits. Shinhan Securities Vietnam Ltd.., its affiliates, or their affiliates and directors, officers, employees or agents of each of them disclaim any and all responsibility or liability whatsoever for any loss (director consequential) or damage arising out of the use of all or any part of this report or its contents or otherwise arising in connection therewith. Information and opinions contained herein are subject to change without notice and may differ or be contrary to opinions expressed by other business areas or Shinhan Securities Vietnam Ltd. The final investment decision is based on the client's judgment, and this research report and marketing materials cannot be used as evidence in any legal dispute related to investment decisions.
- Copyright ⓒ 2020 Shinhan Securities Vietnam Ltd. All rights reserved. No part of this report may be reproduced or distributed in any manner without permission of Shinhan Securities Vietnam Ltd.